

High Bar Harbor Yacht Club  
Owner's Meeting Minutes  
Sunday, September 13, 2009

**Board Members**

Mark Finelli - Present  
Jim Frank – Present  
Dave Hall – Present  
Meaghan Cannon-Keough – Present  
Bruce Shulan – Present

**Employees**

Mark Hazley – Present  
Stacy Bernstein – Present

The meeting was called to order at 4:30 pm at the HBHYC Clubhouse

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Planned Agenda

**Mark Hazley's (Marina Manager) – Update**

- Dock resurfacing will resume this week.
- All power pedestals have been painted except I-dock.
- The club house awning was removed on 8/28/09
- The pool will close for season on 9/14/09
- The low voltage lights on north dock have been replaced.
- Finger pier floats on E-dock need to be repaired due to damage from the recent storm. Already addressed storm damages were: tree limb removal, roof shingles repair, flag replacement and other minor clean-up.
- The power pedestal photo cells and ballasts are being replaced on an ongoing basis. Six (6) to eight (8) will be replaced this month
- Pump-out lines have been replaced and put under the docks rather than having them free floating in the water. It is expected that this will reduce required maintenance. Line replacement on docks A,B,D,E,I,J and H have been completed. There are an additional six (6) lines to be replaced.
- The answering service in use for the past two (2) years has received no phone calls. We are currently paying \$32.95 per month for this service. It was suggested that the marina's answering machine would be sufficient for routine messaging and the current posting of emergency numbers for the police and tow boat would cover emergencies. Police have the marina manager's personal contacts numbers. Dave Hall made a MOTION to cancel answering service. The motion was SECONDED and PASSED (vote 5 to 0 in favor).

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Following Marks's update, Dave Hall suggested safety ladders be installed on the north side bulkheads. Mark advised the board that he can purchase aluminum ladders at \$150 each.

**Stacy Bernstein's (Office Manager) – Update**

- Summer season tenants are scheduled to depart on 10/15/09 unless other arrangements have been agreed with the respective owners.
- Slip Rental Agreements will be sent to Owners this month.
- Slip G-14 (35 ft) sold on 9/10/09 for \$58,000.00.
- Slip H-13 (35 ft) has a sale pending and is scheduled to close in October 2009
- The club currently has 22 boats slips for sale
- 4Q 2009 condo fees will be send out the week of Sept 21<sup>st</sup>. Rates will be reapportioned for Capital and Operational expenses, however, net condo fees will remain unchanged.
- Mark Finelli's letter regarding the Late Fee policy was sent to all owners and tenants.
- A Boating Course is currently scheduled for Saturday, October 10<sup>th</sup> at the clubhouse but will be postponed if there are less than six (6) people interested in the class

During Stacy's update Jim Frank made a MOTION to keep the rental rates the same for the upcoming year. The motion was SECONDED and PASSED (vote 5 to 0 in favor). Regarding 2010 transient rates, the Board agreed to determine the appropriate fees in the spring; prior to the boating season. Dave Hall will research comparable marinas/yacht clubs in the area for transient rates and amenities.

**Dredging Project**

Matt Kulinski, past Board president, has been actively involved with the dredging project for the last 18 months. Matt has agreed to continue his active participation in the effort until the necessary permits have been obtained. Matt gave the attendees an update on the project. The salient points were:

- The permit documents are ready to be submitted to the state.
- The estimated permit fee is \$13,000.00
- Once received, the permit is valid for five (5) years.
- Based on the revised survey, the club has approximately 2,000 cubic yards of material to be removed if we are to dredge the entire basin.
- The check to the State of NJ/DEP must be processed through TWT (our engineering firm) so that it is included with the permit application.

Jim Frank made a MOTION to issue a check for permit application. The motion was SECONDED and PASSED (vote 5 to 0 in favor).

Prior to the Boards discussion on the extent of the dredging to be done, all attendees were invited to review the basin sounding survey. The survey clearly indicates material encroaching along the entire perimeter of the club as well as the club entrance. For

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those interested, Stacy can email any owner a copy of the sounding survey in PDF format.

The Board explored several alternatives to dredging the entire marina. Generally, all board members agreed that comprehensive dredging needs to occur every 15-20 years ensuring all slips have at least six (6) feet of water at mean low tide. The club is over 20 years old and this is the first significant dredging of the marina basin to be considered. Maintenance dredging should be performed, as needed, between comprehensive dredging but unfortunately maintenance dredging at this point is not an appropriate option.

A MOTION was made to dredge the entire marina. The motion was SECONDED and PASSED (vote 5 to 0).

### **5-Year Capital Plan**

Mark Finelli reviewed the Capital Plan for those in attendance. Particular attention was paid to the need to keep a minimum of \$250,000.00 in the Capital Reserves to address any significant unplanned expenditure while preventing the need to make a special capital assessment to owners.

Mark Finelli proposed replacing the ground level deck and railings, along with the pool fencing as a winter 2009 project. These projects would be reasonably affordable if the labor could be done by the staff. Mark Hazley raised a concern that the additional project would be difficult to achieve given the other projects already planned. It was agreed that the project would be included in the Capital plan and that Mark would re-evaluate the projects currently underway and additionally get a quote from the contractor that did the building renovation. Additionally, it was agreed that Mark should get estimates for wood and composite decking material. Mark feels that wood decking provides easier maintenance and may reduce the material costs sufficiently to offset contractor costs if the project is not done by the staff.

The clubhouse kitchen needs some TLC. Mark Hazley indicated the kitchen needs new counter tops, a new dishwasher and possibly new kitchen cabinets. As these improvements will be done by the club staff, Mark agreed to price out the material and establish a timeline for the work to be done.

Jim Frank noted that per the By-Laws, each new, or significantly modified, project identified in the Capital Plan be approved by an owner vote.

Dave Hall made a MOTION to send out 5-year Capital Plan and supporting documents. The new projects should be identified for owner approval by ballot and the ballot returned in one (1) month. The motion was SECONDED and PASSED (vote 5 to 0 in favor)

Ed Meline complemented the staff on the wonderful job being done on the facility maintenance. However, Ed raised a concern that the true cost of maintenance is not well understood as the costs are spread across several line items in the Operating Budget as

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well as the Capital Budget. Additionally, as the boundaries between Operating Expense and Capital Expense are somewhat grey, we could be spending more on maintenance than is currently believed. It was agreed that Mark Finelli will develop a consolidated maintenance statement to make the full cost of maintenance more transparent.

Dave Hall asked the Boards permission to propose a By-Law amendment changing the Capital Planning timeframe from August to April to facilitate better planning and preparation for major projects. A MOTION was made to allow Dave to submit the proposal. The motion was SECONDED and PASSED (vote 5 to 0 in favor).

### **New Business**

Dave Hall and Meaghan Cannon-Keough discussed updating the Deed, By-Laws, and the Rules and Regulations to include all revisions and amendments that have been made over recent years. Additionally, the club should have available a full package of documents organized for existing owners and prospective buyers. Bruce Shulan will review formal legal documents then create a "working-man's" copy where documents are readable and understandable to the layman. Meaghan will work with Stacy on this effort.

Meaghan also agreed to maintain a list of action items taken by staff and Board members at each meeting. The task list will be reviewed at each Board meeting.

Dave Hall asked the Boards permission to propose a Master Deed change allowing the spanning of slips to accommodate larger boats. Bruce Shulan advised the Board that he will recuse himself from the Boards debate and any subsequent votes due to conflict of interest. A MOTION was made to allow Dave to submit the proposal. The motion was SECONDED and PASSED (vote 4 to 0 in favor).

It was agreed that the Board will include Dave's proposed Master Deed and By-Law changes when the Capital Budget is distributed to owners.

Dave Hall suggested the Board extend an invitation to all owners to suggest any Deed or By-Law changes be submitted in writing to Stacy. The invitation should be extended prior to year end in order to have time, if needed, for legal review. Dave recommended any proposed changes be voted on the same time as the Capital in 2010.

The Board briefly discussed the process for reviewing owner proposed changes to the Master Deed and the By-Laws. It was agreed that the Board has the right to filter out any inappropriate or offensive submissions. To avoid excessive legal fees, It was further agreed that the board has the right to decide which proposals require legal review and has the responsibility to ensure the proposed intent remains intact.

A MOTION was made to adjourn the meeting. The motion was SECONDED and PASSED.

Meeting adjourned at 6:30 pm